is in a position to undertake the financial responsibility if only the Council will levy a reasonable rate of water tax. The Council has so far shown a reluctance to undertake this responsibility. Government must make it clear that the problem of water supply to Trichur rests now entirely with the Municipal Council and that Government have done all that they are expected to do in this matter.

SCHEMES OF DEVELOPMENT.

14. The electrification of Nemmara has been completed at a cost of Rs. 40,000 and power is now available in the rural area round that place. Work in connection with the electrification of Chittur is now under progress and the scheme will be finished during next year at an estimated cost of Rs. 68,000. The Government Stone-ware Works at Chalakkudi has been re-organised and the service of a Pottery Expert has now been secured at a very much cheaper cost. In spite of this reorganisation the results of its working are far from satisfactory. Apart from the difficulty experienced in selling the products, the unsatisfactory results are partly due to the inherent weakness of a business concern directly managed by Government. As one who has had the advantage of studying the results of Government managed industrial concerns and similar concerns privately managed I have no doubt in my mind that a Government managed concern has some inherent weaknesses which very often make success almost impossible. There is no doubt a great deal to be said for public ownership and State management of certain public utility undertakings. But, ordinarily, industry and business thrive most satisfactorily under private management. Government would be prepared to consider any reasonable scheme for the taking over of the Stone-ware Works by a company incorporated in the State. The Cochin Textiles Limited which started under the patronage of Government has commenced production and it is the means of providing employment to hundreds of people in and around the Ambalur village.

15. Recently there was a strike of the workmen of the Cochin Textiles Limited which happily has been settled amicably. I must here give a word of warning to employers and workmen alike about the potential danger that threatens the smooth development of industrial activities in India. The rapid industrialisation of the country has brought in its train industrial unrest which has manifested itself in the form of strikes and lock-outs. While the right of labour for collective bargaining and their right to resort to strike as the ultimate

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sanction have been recognised by all, the leaders of the labour movement should show a proper appreciation of the dangers to industrial development which may arise out of frequent strikes. The proverbial shyness of Indian capital is well known and it is only during the last two decades that the investing public in India have come forward to show their interest in industrial enterprises. Industrial unrest will have the unfortunate effect of creating nervousness amongst the investors and handicap further industrial expansion in this country. I do not mean to suggest that the working classes should not claim their legitimate rights in respect of conditions of work and rates of wages. I have given practical proof of my sympathy towards the working classes by having our factory legislation remodelled on more up-to-date lines. A further tangible proof of this sympathy has been shown in the recognition of the right of the labourers for representation in this Council. My appeal is to employers and workmen alike. While employers must realise that contentment amongst the workmen is in itself a valuable asset to any industrial concern, the workmen must realise in an equal measure that they should co-operate in the building up of industries in our country especially in the earlier stages of development. Such a mutual appreciation will alone result in the orderly growth of industry.

16. An investigation was undertaken about the possibilities of starting a paper industry and thereby utilise our own forest produce. After very careful investigation we have come to the conclusion that the resources available at present in our forest area are not sufficient for maintaining a paper factory on an economical basis. The scheme has therefore been dropped. Not long ago, speaking at another place, I said that after studying the conditions of this State I am inclined to think that there is not much scope for the expansion of large scale industries. We have therefore to concentrate attention on the development of industries of smaller scale. The development of cottage industries has been entrusted to the charge of the Minister and I hope that with his intimate contact with the rural life he would be in a position to evolve schemes for promoting various cottage industries in the State. While Government would be prepared to help in the starting of industries, there should be on the part of those interested in industrial development a proper appreciation of the limits within which alone State help could be made available. I am not a believer in the State subsidising any industry. Apart from my belief the resources of this Government will not permit the grant of any subsidy worth mentioning to any industry. While

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Government would be prepared to help in the initial stages with advice, the grant of facilities and the grant of credits at cheap rates, an industrial concern must depend mainly in all its stages on itself. State help and an appeal to the enthusiasm and patriotism of the people will not by themselves help the promoters of a concern to run it on successful lines. The success of an undertaking must ultimately depend upon efficiency and sound business principles.

CONCLUSION.

17. The review of the year's activities that I have made would go to show that every attempt is being made by the Government to maintain the financial solvency of the State and to promote the prosperity of the people. We commence our work in this session with new hopes and aspirations. In previous years a great deal of the time of this Council was taken up in discussions on constitutional reforms. Now that this problem has been satisfactorily settled at least for the time being, let us hope that the Council will devote greater attention to the more difficult problems of daily administration. The new Minister will require in his task the sympathy and co-operation of every one inside this Council and outside. If the good-will expressed on all sides already is a measure of the co-operation that he may expect, we can confidently look forward in the coming years to greater prosperity and contentment amongst the people of this State.

ANNOUNCEMENT OF BILLS ASSENTED TO OR DISSENTED FROM BY HIS HIGHNESS THE MAHARAJA.

Secretary to the Council: Under Standing Order 5 (2), I have to announce to the House that the following bills passed by the Council have been graciously assented to by His Highness the Maharaja.

1. The Cochin Land Conservancy Act (Amendment) Bill—Act, XXIV of 1113.
2. The Cochin Village Panchayat Act (Amendment) Bill—Act, XXV of 1113.
3. The Cochin Co-operative Societies Bill—Act, XXVI of 1113.

I have also to announce that the Cochin Ezhuthassan Bill passed by the Council has been dissented from by His Highness the Maharaja.

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